

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IOWA LAKES ELECTRIC COOPERATIVE and INTERSTATE POWER AND LIGHT COMPANY	DOCKET NO. SPU-03-8
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**ORDER GRANTING PETITION FOR MODIFICATION
OF SERVICE AREA BOUNDARIES**

(Issued July 18, 2003)

On May 19, 2003, Iowa Lakes Electric Cooperative (Iowa Lakes) and Interstate Power and Light Company (IPL) filed a joint petition for modification of electric service area boundaries pursuant to 199 IAC 20.3(9). A service area agreement between Iowa Lakes and IPL was attached to the petition. No objections to the petition were filed.

Iowa Lakes and IPL have agreed to an exchange of service territory and request the Board modify the service territory boundary between the two utilities in Dickinson County, Iowa. The following service territory is to be transferred from IPL to Iowa Lakes:

All of IPL's territory within the E1/2 NE1/4 NW1/4 NE1/4 of Section 31, Township 99 North, Range 35, West of the 5th P.M., Dickinson County, Iowa, to include Lots 16, 17, 18, 19, and 20 of the Plat of Fairways at Emerald Pines South, City of Arnolds Park, Iowa.

The following service territory is to be transferred from Iowa Lakes to IPL:

All of Iowa Lakes' territory located within the S1/2 SW1/4 NE1/4 NE1/4 of Section 31, Township 99 North, Range 36, West of the 5th P.M., Dickinson County, Iowa, to include Lots 29, 30, 31, 32, and 33 of the Plat of Fairways at Emerald Pines South, City of Arnolds Park, Iowa.

In support of the petition, Iowa Lakes and IPL state that the transfer will allow each utility to more efficiently serve its territory. A housing development called Emerald Pines is currently being developed near Arnolds Park, Iowa. The current boundary line between the two utilities goes through several lots, and the exchange of territory will move the boundary lines to allow each utility to serve the portion of the new development that is closest to their existing territories. At the time of the agreement between Iowa Lakes and IPL, there were no existing customers in the areas being exchanged.

Iowa Code § 476.25 (2003) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the Iowa Lakes and IPL joint petition for modification of service area boundaries. Iowa Lakes and IPL have alleged facts that establish the proposed modification is in the public interest, will prevent unnecessary duplication of

facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to Iowa Code § 476.25.

IT IS THEREFORE ORDERED:

The joint petition for modification of electric service area boundaries filed by Iowa Lakes Electric Cooperative and Interstate Power and Light Company on May 19, 2003, is granted, subject to complaint or investigation.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 18th day of July, 2003.